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## TRAC LAUDS FEDERAL COURT DECISION TO UPHOLD THE SURFACE TRANSPORTATION BOARD'S RIGHT TO IMPOSE MITIGATING CONDITIONS

Also Believes the Court Erred by Failing to Recognize the Arbitrary & Capricious Nature of the STB's Analysis

CHICAGO – In response to the United States Court of Appeals for the District of Columbia Circuit's March 15 decision upholding the Surface Transportation Board's (STB) December 24, 2008 decision approving the purchase of the EJ&E rail line by Canadian National Railway (CN), the TRAC Coalition lauds the Court for affirming that the STB has the full right to require that railroads ameliorate the harms their mergers cause in impacted communities – even when the cost of mitigation is quite substantial.

The March 15, 2011 Decision by the Court:

- Upheld the STB's right to impose broad mitigation mandates on railroad mergers involving large and small railroads;
- Upheld the STB's requirement that CN substantially underwrite the cost of grade separations at Ogden Avenue in Aurora and Lincoln Highway in Lynwood; but,
- Declined to consider arguments regarding the STB's evaluation of particular environmental impacts to communities affected by the transaction for the purpose of imposing mitigation.

TRAC co-chair and Aurora Mayor Tom Weisner says, "We believe this decision by the federal court is ultimately a substantial win – not only for TRAC communities – but for all Americans impacted by rail operations. Railroads will now understand that they cannot make business decisions that ravage communities and then just walk away from the harms they are causing."

"Absent TRAC's three-year battle to stand up for the rights of the region and the Court's affirmation that CN must invest significantly in mitigation, this deal would have gone through without any recompense for harmed communities," adds Karen Darch, President of the Village of Barrington and TRAC co-chair. "Unfortunately, we believe the Court decision side-stepped an opportunity to address the arbitrary and capricious analysis flaws used by the Board in formulating its mitigation mandates and we are prepared to take the steps necessary to right that wrong."

TRAC believes that although the Court's decision contains many favorable aspects, it avoided full consideration for at least one major issue involving the need for further mitigation along the EJ&E line. TRAC remains committed to insuring that the interests of all impacted communities continue to be preserved in CN's acquisition of the EJ&E. The Coalition will continue its efforts on behalf of the region as the STB must use uniform standards of analysis in evaluating environmental harms, and this did not happen in this merger.

To view a copy of the March 15, 2011 legal decision, visit <u>www.fightrailcongestion.com</u>.

About TRAC: TRAC (The Regional Answer to Canadian National) is a coalition of suburban leaders that have joined forces to ensure the quality of life of more than one million residents in numerous Chicagoland communities is not adversely impacted by the CN/EJ&E issue. TRAC includes municipal and county leaders from Lake, Cook, McHenry, Kane, DuPage and Will Counties. Barrington Communities Against CN Rail Congestion (BCACRC) represents the interests of Barrington area communities and is a leading member of TRAC.

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